

## FIRST UNION RAIL

One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Tel 847.318.7575  
Fax 847.318.7588



RECORDATION NO. 24263 -C

FILED

NOV 22 '04

11-57 AM

SURFACE TRANSPORTATION BOARD

VIA UPS 2<sup>nd</sup> DAY AIR

November 17, 2004

Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated August 30, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 24263.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Tennessee Valley Authority  
1101 Market Street  
Chattanooga, Tennessee 37402-2801

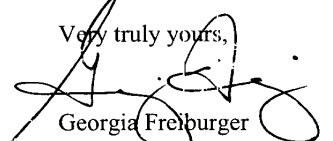
A description of the railroad equipment covered by the enclosed document is eighteen (18) 4080 cu. ft. Rapid Discharge II coal steel cars, with FURX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$32.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,

  
Georgia Freiburger  
Manager of Documentation

Enclosures

(TVAU004)

RECORDATION NO. 24263-S FILED

ASSGN. NO.: TVAU004

NOV 22 '04 11:57 AM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 30<sup>th</sup> day of August, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Tennessee Valley Authority ("Lessee"), a Tennessee corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of December 12, 2002, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 3 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of September 17, 2004, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR  
Vice President Sales & Marketing

Title: \_\_\_\_\_

By: Theresa Catapano

Name: THERESA CATAPANO

Title: MANAGER OF DOCUMENTATION Executed on this 30<sup>th</sup> day of August, 2004.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 1<sup>st</sup> day of September, 2004

Georgia Freiburger  
Notary Public

Commission Expires:

5-18-2008  
(Notary Public)



LESSEE:

TENNESSEE VALLEY AUTHORITY

ATTEST:

By:

Name:

Title:

By:

Name:

Title:

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[CORPORATE SEAL]

STATE OF Tennessee

COUNTY OF Hamilton

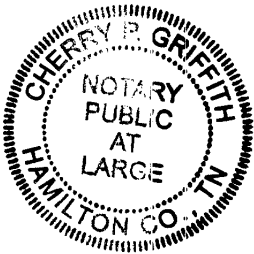
I, Cherry P. Griffith, a Notary Public of the County and State aforesaid, certify that S. Stephen Blackburn personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 26th day of August, 2008

Cherry P. Griffith  
Notary Public

Commission Expires:

Oct. 17, 2007  
(Notary Public)



**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS: Eighteen (18)

DESCRIPTION OF CARS: 1990 Trinity built, 100-ton, 4080 cu. ft., 5-pocket Rapid Discharge II coal steel cars, 270 GRL. (K341)

CAR NUMBERS:

FURX 925001  
FURX 925021  
FURX 925028  
FURX 925039  
FURX 925050  
FURX 925051  
FURX 925054  
FURX 925057  
FURX 925059  
FURX 925060  
FURX 925065  
FURX 925076  
FURX 925087  
FURX 925098  
FURX 925102  
FURX 925106  
FURX 925107  
FURX 925115  
Count: 18